

IC 4-4-9

Chapter 9. Rural Development Program and Fund

IC 4-4-9-1

Definitions

Sec. 1. As used in this chapter:

"Director" means the lieutenant governor, who is also the director of the department of commerce.

"Qualified entity" means a city or town with a population of less than ten thousand (10,000) persons, a corporation established under IC 23-7-1.1 (before its repeal on August 1, 1991) or IC 23-17 for the purpose of distributing water for domestic and industrial use, a regional water, sewage, or solid waste district, or a conservancy district that includes in its purpose the distribution of domestic water or the collection and treatment of waste.

"Rural development program" means any program designed to aid the growth of rural areas in Indiana and includes:

- (1) the construction of airports, airport facilities, and tourist attractions;
- (2) the construction, extension or completion of sewerlines, waterlines, streets, and sidewalks;
- (3) the leasing or purchase of property, both real and personal; and
- (4) the preparation of surveys, plans, and specifications for the construction of publicly owned and operated facilities, utilities, and services.

As added by Acts 1980, P.L.8, SEC.8. Amended by Acts 1981, P.L.28, SEC.1; P.L.179-1991, SEC.6; P.L.1-1992, SEC.6.

IC 4-4-9-2

Creation; control and administration; rules and regulations; personnel; grants, gifts, and contributions

Sec. 2. (a) There is created a fund to be known as the "Rural Development Fund" from which grants may be made to qualified entities in accordance with this chapter and the rules and regulations adopted under it.

(b) The administrative control of the fund and the responsibility for the administration of this chapter are vested in the director. The director may adopt rules and regulations under IC 4-22-2 for the proper administration of the fund and this chapter. The director, subject to the approval of the state budget agency, may employ personnel as necessary for the efficient administration of this chapter.

(c) The director may receive and accept for purposes of the fund, grants, gifts, and contributions from public and private sources, including, on behalf of the state, grants from agencies and instrumentalities of the United States.

As added by Acts 1980, P.L.8, SEC.8. Amended by Acts 1981, P.L.28, SEC.2.

IC 4-4-9-3

Use of money; investment; interest; grants; amount

Sec. 3. Money in the rural development fund does not revert to the general fund, but must be used exclusively for the purposes of this chapter. The treasurer of state shall invest monies not needed currently to meet the obligations of the program in the same manner as other public funds may be invested. Interest which accrues from these investments shall be credited to the rural development fund. The director, subject to the approval of the state board of finance, may direct the auditor of state to make any approved grant from the fund to any qualified entity. The money granted must be used by the recipient for the purpose of instituting and administering any approval rural development program. The amount of any grant to a recipient may not exceed fifty percent (50%) of project cost. However, after petition by a qualified entity showing special circumstances, the director may waive all or part of this fifty percent (50%) requirement.

As added by Acts 1980, P.L.8, SEC.8. Amended by Acts 1981, P.L.28, SEC.3.

IC 4-4-9-4

Qualifications for receipt of funds

Sec. 4. Notwithstanding any other section of this chapter, a county, city, or town is considered a qualified entity and shall receive a grant from the fund, subject to the availability of funds in the account, in an amount equal to the amount that the county, city, or town contributes to a project for the construction of a sewer system, sewer system extension, water distribution system, or water distribution system extension if:

- (1) the county has imposed a county adjusted gross income tax under IC 6-3.5-1.1, a county option income tax under IC 6-3.5-6, or a county economic development income tax under IC 6-3.5-7;
- (2) the county, city, or town establishes an interest bearing account known as the sewer system or water distribution system development account in which the county, city, or town may periodically deposit tax revenue received under one (1) of the taxes in subdivision (1), and the interest earned on the deposits is credited to the account;
- (3) money in the sewer system or water distribution system development account may be used only to pay for a project for the construction of a sewer system, sewer system extension, water distribution system, or water distribution system extension;
- (4) the amount of the county, city, or town contribution is deposited in the sewer system or water distribution system development account;
- (5) the project will result in sanitary sewer service or water service being available to an area that did not previously have sanitary sewer or water service available;

(6) an existing public sanitary sewer service or water service is available within a one (1) mile radius from the proposed project, and the provider of that service has agreed to allow the project to be connected to and become part of the existing public service; and

(7) the county, city, or town submits an application to the director, on forms provided by the director, showing compliance with subdivisions (1) through (6).

As added by P.L.27-1995, SEC.1.